

Proposed Fee Adjustments

2024



Fairfax County Park Authority

Contents

Organization of the 2024 Fee Proposal..... 3

Current Situation – System-wide Considerations3

Proposed Fee Adjustments:

Golf8

Rec Centers 10

Water Mine..... 14

Reservable Picnic Areas and Amphitheaters 15

Resource Management Division 16

Conditional Fees 17

Organization of the 2024 Fee Proposal

The 2024 Park Authority Fee Proposal begins with the Current Situation – System-wide Considerations, which describes the important factors in the Park Authority’s overall operating environment that influenced the composition of this year’s fee adjustment proposal. (Note that some data presented in this section is current as of August 2023, when this portion of the document was prepared.) This overview is followed by separate sections for each of the specific fee adjustments that are being proposed. Each of these sections briefly outlines important situational factors specific to that business area that influenced the development of the proposed fee adjustments. This is then followed by a summary of the fee adjustments proposed for that business area.

The Park Authority Board maintains oversight approval for approximately 500 facility use/rental fees in its Schedule of Rates, Fees and Other Charges. Although staff reviews the entire fee schedule annually, only new fees and/or those recommended for adjustment are included in the annual fee proposal. Fee adjustments resulting from review of the FCPA Fee Schedule are designated as Park Authority Board approved. Program and administrative fees are not included in this process. Those are designated by Policy 109 – User Fees as director-approved.

Current Situation – System-wide Considerations

- Fees generated in the Park Authority’s Revenue and Operating Fund (ROF) pay for nearly all personnel expenses and operating costs at all Park Authority-operated golf courses and Rec Centers; at managed parks for fee-sustained facilities and program operations; and for rental facilities, programs, and store sales at nature centers, visitor centers, historic sites and other parks. Sustained revenue growth is essential to support the ROF and to offset increases in operating expenses. Income from fees must also pay back debt service associated with revenue bonds used to develop golf course facilities.
- Revenue growth is intended, by design, to come from multiple sources, including new facility improvements and expansions, program participation growth, new facility users, cost management and fee increases.
- As a matter of policy, the Park Authority prefers to adopt regular, gradual fee increases rather than infrequent, but larger increases that are more disruptive to its customers. As the Park Authority’s fee policy states “where feasible, comparatively small and regular fee increases are preferred over less frequent, larger increases.”
- Debt obligations for FY 2024 and FY 2025 are \$895,547 and \$935,243 respectively. Final payment for the Park Facilities Revenue Refunding Bonds; Series 2013 (Twin Lakes/Oak Marr) was made in FY 2021.

- The Park Authority’s Park Revenue Funds Financial Management Annual Update identifies several significant near-term budgetary impacts, including the following:
 - Employee compensation – market rate adjustment and performance-based and longevity increases, minimum wage increases, competitive pay rate adjustments, and bonuses. The FY 2024 budget included a 5.44% market rate adjustment for all employees, in addition to fully funding performance-based and longevity increases. The Park Authority Revenue Fund is also significantly impacted by the Minimum Wage increases that continue in 2023 and 2024. In addition to the mandatory compensation increases, the Park Authority has had to make several increases to baseline pay rates, including offering signing and retention bonuses for difficult to fill summer positions (lifeguards and camp counselors) to remain competitive with the market. The estimated total for all increases is \$2.7 million in FY 2024.
 - Benefits. In FY 2023, key changes in benefit costs for the ROF included the following:
 - Overall benefits increased \$480,274 or 7.4% to \$6,976,601.
 - Retirement contributions increased \$264,079 or 11.1% to \$2,639,251.
 - Health care benefits for all ROF personnel increased \$187,817 or 8.7% to \$2,342,402.
 - Other Post-Employment Benefits (OPEB) costs for ROF employees were transferred from the county to the Park Authority beginning in FY 2011. The OPEB charge to the ROF in FY 2023 was \$203,124 and is budgeted at \$193,930 in FY 2024.
 - Indirect costs. The county assesses the Park Authority annual charges for indirect costs for provision of legal, human resources and other centralized services. The indirect cost assessment for FY 2024 is \$820,000, unchanged from the prior year.
 - Cost recovery expectations. The impact of the COVID pandemic on the revenue fund in FY 2020 and FY 2021 was significant. Gradual facility/park re-openings and system-wide capacity constraints reduced revenue and net revenue in the ROF. Despite these constraints, stringent spending controls in conjunction with overwhelmingly positive revenue in golf and other outdoor activities, as well as a significant boosts in program revenue allowed the ROF to generate a positive net in FY 2022 and FY 2023. Coming out of the pandemic, the Park Authority’s net revenue goals are focused on: 1) meeting the ROF financial obligations (the Park Authority needs to rebuild a 10% reserve for the ROF that was depleted during

COVID) and 2) reinvestment (the Park Authority deferred maintenance estimates total \$170 million, with \$30-\$40 million in Rec Centers alone).

General market conditions and Park Authority use/revenue trends that have also influenced the composition of the FY 2024 fee proposal are outlined below. Measures of the current condition of the local economy that are typically considered in the annual fee proposal include trends in the Washington region consumer price index, the Fairfax County unemployment rate and sales tax receipts for retail sales. The proposal also tracks consumer confidence in the economy by reporting recent trends in the national consumer confidence index developed by The Conference Board. One other measure of local retail activity has been included this year to gauge the progress of recovery from last year's economic downturn resulting from the pandemic. Location analytics firm Placer.ai tracks visits to brick-and-mortar retail locations compared to pre-pandemic levels based on anonymized cell phone location data. The presence of consumers in retail locations is a good proxy for sales and so is included in the retail sales section below.

Consumer price index (CPI). Annual growth in the Washington region CPI during the first half of 2023 was 3.5%. Current inflationary pressures are attributed to recovery from the pandemic-induced economic downturn and related supply chain shortages in some areas, as well as labor shortages in some sectors resulting in wage increases. Cumulative CPI growth in the Washington region over the past two years was 10.1%; three-year CPI growth was 14.1%.

Unemployment. Coming out of the pandemic with peak unemployment rates around 10%, local unemployment now remains low. Fairfax County's seasonally unadjusted unemployment rate for July 2023 was 2.3%, down from 2.6% the previous July. During 2023, the monthly unemployment rate has ranged from 2.1% to 2.7% and has averaged 2.4%. As is the typical pattern, current unemployment in Fairfax County is lower than at either the national or state level (3.8% and 2.7% respectively for July 2023). Within northern Virginia, Fairfax County unemployment remains about 'middle-of-the-pack' – higher than Arlington County (1.9%), comparable to Loudoun County (2.3%) and slightly lower than Prince William County (2.5%).

Retail sales. Fairfax County retail sales tax receipts are a barometer of the health of local consumer spending. Through May, total FY 2023 sales tax revenue increased 3.8% over the prior year. Sales tax receipts are up 0.9% through the month of FY 2024.

The consumer confidence index. The Conference Board's consumer confidence index (CCI) is a national measure of consumer optimism on the state of the economy and is viewed by economists as a leading indicator of the U.S. economy. While the monthly index can be volatile, the general long-term trend

since the Great Recession ended in 2009 had been one of gradually improving consumer confidence until the onset of the COVID-19 pandemic. Between February and April 2020, consumer confidence, as gauged by this measure, waned 35% (from an index of 132.6 down to 85.7). Significant recovery in consumer confidence began in March 2021 and continued through June when the CCI measured 128.9, less than three percent below the pre-pandemic level of February 2020. However, following the recovery in 2021, 2022 has seen a continued decline in CCI.

The Conference Board's assessment of the current trend through August 2023 notes that "consumer confidence fell in August 2023, erasing back-to-back increases in June and July. August's disappointing headline number reflected dips in both the current conditions and expectations indexes. Write-in responses showed that consumers were once again preoccupied with rising prices in general, and for groceries and gasoline in particular.

- Park Authority use/revenue trends.

Golf. The total number of golf rounds played at Park Authority courses in FY2023 increased 6% from the previous year and revenue increased by 14%. Driving range play slightly decreased by 4% from the previous year, but revenue was flat (-0.1%).

Overall FY2023 golf revenue increased by 9% from FY2022 with the biggest impacts in the following areas: rounds pass (23%), food and beverage (28%), and merchandise (28%).

Rec Centers. Both Rec Center attendance and revenue for FY2023 were up from the prior year. Rec Center revenue has increased by 17% while attendance has increased by 31% from FY22.

Rec Centers showed the biggest impacts in the following areas: memberships & passes (15%), food and beverage (15%), and programs (22%). Amusements are down (-22%) and equipment rentals are down (-31%).

Water Mine. Both revenue and attendance for the Water Mine were down for FY2023 from the prior year by -15%. Almost all categories suffered losses except for rentals, which increased by 76%. Biggest lost areas include food and beverage (-42%) and admissions (-18%).

Resource Management. RMD total revenue was up 12% from FY 2022 as revenue categories continue to recover and grow after COVID. Mainly, this is associated with increase in visitation to RMD sites by 5%. Overall, several categories experienced significant growth over FY 2022, including programs (32%), food & beverage (9%), rentals (6%), and resale (7%). For Lakefront Parks, overall revenue was similar to FY 2022 revenue, while all three parks saw increases in attendance by 6% over FY 2022.

Proposed Golf Fee Adjustments

1. Greens Fees – Maximum- Staff recommends an increase to greens fees listed below in an attempt to continue to let demand dictate adjustments of fees during the year. Paired with the demand of golf staying constant, the costs of maintaining each course and facility steadily increasing due to inflation and to match course conditioning to each courses' competitive set, an increase in greens fees is deemed as necessary. The current rates shown are based on the previously approved fee increases that went into effect in early September, with limited complaints/impact on current customers. The proposed rates shown are maximums meaning there are a few courses that won't start at those rates but do plan on incrementally increasing dependent on consistent and forecasted demand, as well as the economic and course conditions.

	CURRENT FEE- Maximum Rate	PROPOSED FEE- Maximum Rate
Burke Lake Golf Course		
9 holes - Weekday	\$22.00	\$24.00
18 holes - Weekday	\$29.00	\$31.00
9 holes - Weekend	\$25.00	\$27.00
18 holes - Weekend	\$34.00	\$36.00
Jefferson District Golf Course		
9 holes - Weekday	\$27.00	\$29.00
9 holes - Weekend	\$32.00	\$34.00
Oak Marr Golf Course		
9 holes - Weekday	\$24.00	NO CHANGE
9 holes - Weekend	\$27.00	NO CHANGE
Pinecrest Golf Course		
9 holes - Weekday	\$25.00	\$29.00
9 holes - Weekend	\$30.00	\$34.00
Greendale Golf Course		
9 holes - Weekday	\$27.00	NO CHANGE
18 holes Weekday	\$40.00	\$42.00
9 holes - Weekend	\$33.00	NO CHANGE
18 holes - Weekend	\$49.00	\$51.00
Twin Lakes Golf Course		
9 holes - Weekday	\$34.00	\$36.00
18 holes - Weekday	\$51.00	\$53.00
9 holes - Weekend	\$41.00	\$43.00
18 holes - Weekend	\$65.00	\$67.00
Laurel Hill Golf Course		
18 holes - Weekday	\$89.00	\$95.00
18 holes - Weekend	\$119.00	\$129.00

2. Daily Driving Range Buckets – FCPA has been working through system updates to driving range operations- as part of this update, staff proposes the following adjustments to the daily driving range buckets. Staff recommends increasing the discount rates associated with larger purchases (120 and 160) to be in line with industry standards and recommend eliminating the 200 balls option. These adjustments are more in line with system parameters and industry standards.

	CURRENT FEE	PROPOSED FEE
40 Balls	\$9.00	NO CHANGE
80 Balls	\$14.00	NO CHANGE
120 Balls	\$19.00	\$20.00
160 Balls	\$23.00	\$25.00
200 Balls	\$26.00	ELIMINATE

*Daily driving range buckets expire at the end of the day of purchase.

3. Driving Range Pass Fees – Staff proposes to eliminate the driving range pass in conjunction with an overall change to the program.

	CURRENT FEE	PROPOSED FEE
Burke Lake, Oak Marr Golf Complex, Twin Lakes GC, Laurel Hill		
20-bucket pass	\$100	ELIMINATE
40-bucket pass	\$175	ELIMINATE

4. Driving Range Card – Staff recommends introducing a new option for 'loyalty' range sales, replacing the historical 20-bucket and 40-bucket passes (item #3). The 'Driving Range Card' will allow customers to load value onto their card and redeem buckets at a 35% discount off the regular pricing. It will also introduce significant customer convenience, eliminating the current requirement to visit the pro shop for each redemption.

CURRENT FEE	PROPOSED FEE
N/A	35% discount off bucket price with purchase of \$100 or more

5. Annual Memberships – Laurel Hill Golf Club. With the increase in greens fees in FY23 and the out of cycle increase in September of FY24, staff recommends an increase in the annual membership rates at Laurel Hill Golf club to stay in line with the increased greens fees and rounds played. The increase below represents a 4% increase- aligning with the previous increase in greens fees.

Annual Memberships – Laurel Hill Golf Club

	CURRENT	PROPOSED
Full Golf Membership - Individual	\$6,000	\$6,250
Weekday Golf Membership – Individual	\$4,500	\$4,750

Proposed Rec Center Fee Adjustments

1. General Admission - All Rec Centers. Staff recommends the following adjustments to Rec Center General Admission. Though staffing and operational costs for Rec Centers have climbed significantly over the past several years, Rec Center prices have remained steady to gain back customers after COVID and bring in new customers. Admission prices have not been updated since 2017 for adults, 2012 for youths/seniors, and 2019 for family.

General Admission - All Rec Centers

	CURRENT FEE		PROPOSED FEE	
	Base	Discount	Base	Discount
Adult (non-seniors 19+)	\$12.50	\$10.00	\$14.00	\$11.00
Youth/Student (5-18)	\$10.50	\$6.50	\$12.00	\$7.50
Child (0-4 with adult or senior admission)	FREE	FREE	FREE	FREE
Senior	\$10.50	\$6.50	\$12.00	\$7.50
Family	\$39.00	\$25.00	\$43.00	\$27.50
County Programs	\$7.00	----	\$8.00	----

2. Weekend & Holiday Leisure Pool Admissions – Cub Run Rec Center. Staff recommends the following adjustments to Weekend & Holiday Leisure Pool Admission rate in line with the recommended increases for General Admission.

Weekend & Holiday Leisure Pool Admissions – Cub Run Rec Center

	CURRENT FEE		PROPOSED FEE	
	Base	Discount	Base	Discount
Adult (non-seniors 19+)	\$14.50	\$12.00	\$16.00	\$13.50
Youth/Student (5-18)	\$12.50	\$8.50	\$14.00	\$9.50
Child (0-4 with adult or senior admission)	FREE	FREE	FREE	FREE
Senior	\$12.50	\$8.50	\$14.00	\$9.50
Family	\$39.00	\$25.00	\$43.00	\$27.50

3. Discount Fast Pass (25 Admissions) – All Rec Centers. Staff recommends the following adjustments to Discount Fast Pass – 25 Admissions rate in line with the recommended increases for General Admission. Staff also recommend modifying the date of expiration from two years to one year.

Discount Fast Pass (25 Visits) – All Rec Centers

	CURRENT FEE		PROPOSED FEE	
	Base	Discount	Base	Discount
Adult (non-seniors 19+)	\$250	\$175	\$275	\$192.50
Youth/Student (5-18)	\$250	\$114	\$275	\$125.50
Senior (65+)	\$250	\$114	\$275	\$125.50
Fairfax County Employees	N/A	\$162	N/A	\$178

*1-Year Expiration from Date of Purchase.

4. Rec Center Indoor Swimming Pool Base Rates. Staff recommends the following increases to the base rental rates. Base rental fees were last adjusted in 2023.

Rec Center Indoor Swimming Pool Base Rates

	CURRENT FEE	PROPOSED FEE
Swimming Lanes - 25 yd.	\$29	\$29.87
Swimming Lanes - 50 meter	\$57.22	\$58.94
Dive Well – 25 yd.	\$108.28	\$111.53
Dive Well - 50 meter	\$135.04	\$139.09
Entire Pool - 25 yd.	\$315.53	\$325.00
Entire Pool - 50 meter	\$543.14	\$559.43
Entire Pool - Leisure Pool (CRRC)	\$525.69	\$541.46

Proposed Water Mine Fee Adjustments

1. Water Mine – Single Entry Admission and Group Admission Fees. Staff recommends the following adjustments to Water Mine daily admission and group admission fees to accommodate increased demand, operational costs, and staffing costs. These fees were last adjusted in 2023.

Water Mine – Single Entry Admission and Group Rate

	CURRENT FEE		PROPOSED FEE	
	<u>Monday - Friday</u>	<u>Weekends/Holidays</u>	<u>Monday - Friday</u>	<u>Weekends/Holidays</u>
	<u>Admission Weekday</u>			
Over 48" Tall	\$16.50	\$17.50	\$16.75	\$17.75
Under 48" Tall	\$13.50	\$13.50	\$13.75	\$13.75
2 Years & Under	FREE	FREE	FREE	FREE
Group Rate (20 or more)	\$12.00	\$12.00	\$12.50	\$12.50

2. Water Mine – Shade Structure, Funbrellas, & Picnic Area Reservations. Staff proposes the following reservation fees due to increased demand, increased operating, and increased staffing costs. These fees were last updated in 2023. Due to low interest in renting a ¼ section of picnic areas, staff propose they be removed from the fee schedule. Shoofly picnic area has only been rented in half sections for the past three years. Staff recommend introducing Shoofly A, B to price the sections appropriately based on capacity.

Shade Structure Rental Fees – Water Mine

	CURRENT		PROPOSED	
	Full-Day Rental	Half-Day Rental	Full-Day Rental	Half-Day Rental
	<u>Prime¹/Non-Prime²</u>	<u>Prime/Non-Prime³</u>	<u>Prime¹/Non-Prime²</u>	<u>Prime/Non-Prime³</u>
Ace-High Awnings	\$88/\$59	\$44	\$90/\$80	\$50/\$45
Bunkhouse Cabanas	\$105/\$77	\$66	\$120/\$100	\$75/67
Pete's Bungalow	\$122/\$94	\$77	\$140/\$120	\$90/80

Picnic Area Reservations – Water Mine

	CURRENT		PROPOSED	
	Full-Day Rental	Half-Day Rental	Full-Day Rental	Half-Day Rental
	<u>Prime¹/Non-Prime²</u>	<u>Prime/Non-Prime³</u>	<u>Prime¹/Non-Prime²</u>	<u>Prime/Non-Prime³</u>
Big Auger	\$448/\$336	\$308/\$224	\$450/\$400	\$310/\$225
¼ Big Auger	\$140/—	\$84/\$66	Eliminate	Eliminate
Top Railer	\$448/\$336	\$308/\$224	\$450/\$400	\$310/\$225
¼ Top Railer	\$140/—	\$84/\$66	Eliminate	Eliminate
Shoofly	\$448/\$336	\$308/\$224	Eliminate	Eliminate
Shoofly A,B	----/-----	----/----	\$310/\$300	\$185/\$150
¼ Shoofly	\$140/—	\$84/\$66	Eliminate	Eliminate

Funbrella Reservations – Water Mine

	CURRENT		PROPOSED	
	Full-Day Rental	Half-Day Rental	Full-Day Rental	Half-Day Rental
	<u>Prime¹/Non-Prime²</u>	<u>Prime/Non-Prime³</u>	<u>Prime¹/Non-Prime²</u>	<u>Prime/Non-Prime³</u>
Per Funbrella	\$280/\$222	\$145/\$110	NC/NC	\$150/NC

¹Prime is Weekends (Friday, Saturday & Sunday) and Holidays

²Non-Prime is Weekdays Monday through Thursday) excluding Holidays

³Half day reservations available: 1st three hours after open or last three hours prior to close.

NC- denote No Change.

Proposed Picnic Fee Adjustments

1. Picnic reservation rental fees. Staff proposes the following adjustments to picnic reservation fees. The proposed fees are based on a combination of increased demand, market rate price and new areas that have been added. One new area at Lake Accotink Park has been identified to be added to the Picnic Department rental area. This allows for increased public utilization of the space and uniformity of processes for all rental spaces at Lake Accotink Park. This space had previously been coordinated through Lake Accotink Park staff and was used for birthday parties and programs.

Facilities	----- CURRENT FEE -----					----- PROPOSED FEE -----				
	Full-Day Rental		Half-Day Rental		2 Hour Time Slot	Full-Day Rental		Half-Day Rental		2 Hour Time Slot
	Prime	Non- Prime	Prime	Non- Prime		Prime	Non- Prime	Prime	Non- Prime	
Lake Accotink Canopy A, B	----	----	----	----	----	\$145	\$145	\$115	\$115	\$100

2. Amphitheater Rentals- Staff recommend increasing the rental rates at the locations listed below based off increased demand and growing costs due to higher maintenance and security requirements. This fee was last adjusted in 2023.

	Amphitheater Rentals			
	CURRENT FEE		PROPOSED FEE	
	<u>Hourly Prime</u>	<u>Hourly Non- Prime</u>	<u>Hourly Prime</u>	<u>Hourly Non- Prime</u>
Mason District	\$40	\$25	\$50	\$25
Franconia	\$40	\$25	\$50	\$25

Proposed Resource Management Division Fee Adjustments

1. Amusements. Staff recommends adjusting the amusements fees based off increases in demand and operating costs. These fees were last increased in 2023.

	Amusements			
	CURRENT		PROPOSED	
	<u>Monday - Friday</u>	<u>Weekends/Holidays</u>	<u>Monday - Friday</u>	<u>Weekends/Holidays</u>
Train	\$4.50	\$5.50	\$5.00	\$6.00
Carousel	\$3.50	\$4.50	\$4.00	\$5.00

2. Commercial Photography Reservations Fee – Green Spring Gardens. Staff recommend establishing a Commercial Photography Reservation Fee for small groups at Green Spring Gardens and revising current fees to support the increases in administration necessary to meet the increase in demand at this popular site. Administrative photo shoot management costs by Green Spring Garden staff include phone calls, calendar management, photographer check-in, and rule enforcement. The existing fees for all other locations offering Commercial Photography Reservations remain unchanged and commercial photography permits will still be required for all group sizes.

Fee Type	Current Fee	Proposed Fee
Photo Session Reservation (1-11 people)	N/A	\$15/hour (2 hour minimum)
Photo Session Reservation (12-19 people)	\$25/hour (2 hour minimum)	\$30/hour (2 hour minimum)
Photo Session Reservation (20-74 people)	\$50/hour (2 hour minimum)	\$60/hour (2 hour minimum)

Proposed Conditional Fee Adjustments

The Park Authority estimates the proposed package above to generate \$1,037,528 in new revenue for the Park Authority. Based off the guidance of the Park Authority Board, staff have identified additional fees recommended for adjustment **should external factors significantly increase the Park Authority's expenses beyond currently projected levels.**

The fees included in this section are reviewed and approved in line with the rest of the proposal package. However, these will only be implemented if identified by the Park Authority as necessary to react to external spending increases beyond the Park Authority's control. The fees that would be implemented are identified at each expense increase level below.

In the event conditional fees are identified to be triggered, Park Authority staff will brief the Park Authority Board on impacted fees. Conditional fees would go into effect at the beginning of the new fiscal year, July 1.

In the event conditional fee adjustments are needed, staff recommend an across-the-board increase to all fees included in the fee schedule.

Expense Increase Level	Fee Adjustment
\$1 Million	3.3% Increase All Fees
\$2 Million	6.7% Increase All Fees
\$3 Million	10% Increase All Fees